

Board of Directors



HON. W. E. FOSTER, LL.D.

HON. C. B. HOWARD

B. M. HILL

W. W. SNIDER

R. W. T. BURLEIGH

D. C. MCBRIDE

DAE C. FAIRHALL

OFFICERS

HON. W. E. FOSTER, LL.D.

President and Chairman, Board of Directors.

HON. C. B. HOWARD

Vice-President

B. M. HILL

Secretary-Treasurer

SOLICITORS

HYDE & AHERN

AUDITORS

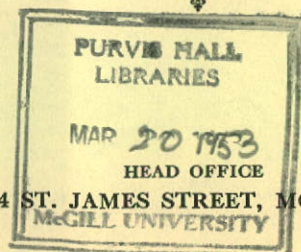
PRICE, WATERHOUSE & COMPANY

**Consolidated
Diversified Standard
Securities
Limited**

FINANCIAL REPORT

FOR YEAR ENDING
DECEMBER 31st.

1945



414 ST. JAMES STREET, MONTREAL

Consolidated Diversified Standard Securities Limited

Notice of Annual Meeting of Shareholders

NOTICE is hereby given that the Annual Meeting of Shareholders of CONSOLIDATED DIVERSIFIED STANDARD SECURITIES LIMITED, will be held at Room 135, Windsor Hotel, in the City of Montreal, on the 29th day of April, 1946, at the hour of ten o'clock in the forenoon, daylight saving time, for the purpose of:—

- (a) Receiving and considering the report of the Directors of the Company, the Balance Sheet, Statement of Income and Expenditure, and the Auditors' Report for the past fiscal year;
- (b) Considering and if thought fit, approving and ratifying all contracts, acts and proceedings of the Board of Directors and of the officers of the Company since the last Annual Meeting of Shareholders as set forth or described in the books of the Company or in the Annual Report of the Company for the past fiscal year.
- (c) Appointing Auditors;
- (d) Electing Directors for the ensuing year;
- (e) Transacting such other business as may properly be brought before the meeting.

If you are not able to be present kindly sign and return the enclosed Proxy by early mail.

DATED at Montreal this 28th day of March, 1946.

BY ORDER OF THE BOARD,

B. M. HILL

Secretary-Treasurer.

Consolidated Diversified Standard Securities Limited and its Wholly Owned Subsidiary Company

Consolidated Statement of Profit and Loss and Surplus For the year ending December 31st, 1945

Dividends and Interest earned on Investment.....	\$ 32,778.90
ADD:	
Premium received on U.S. Funds.....	\$ 2,152.43
Net realized Profit on Sale of Investments.....	56,613.82
	<u>58,766.25</u>
	\$ 91,545.15
DEDUCT:	
Remuneration of Executive Officers employed in Salaried Positions:	
Salaries.....	\$ 3,500.00
Expenses.....	1,500.00
	<u>\$ 5,000.00</u>
Office salaries.....	4,260.00
Directors' fees.....	700.00
Legal Fees.....	102.50
Taxes, other than Income.....	149.91
General Expenses, including Rent, Postage, Stationery, Office Expense, Depreciation (\$254.64), etc.....	4,570.92
	<u>14,783.33</u>
NET PROFIT FOR YEAR, BEFORE INCOME TAXES.....	\$ 76,761.82
LESS: Proportion of Realized Profit on Sale of Investments, transferred to Investment Reserve.....	52,379.20
	<u>\$ 24,382.62</u>
DEDUCT:	
Taxes deducted at source.....	3,342.58
	<u>\$ 21,040.04</u>
Surplus—Balance, December 31, 1944.....	77,999.31
	<u>\$ 99,039.35</u>
DEDUCT: Preferred Dividend No. 24 paid, less \$3,359.61 in respect of those shares held by wholly owned subsidiary.....	20,640.39
SURPLUS — BALANCE, DECEMBER 1945.....	<u>\$ 78,398.96</u>

Consolidated Diversified Standard Securities Limited

Auditors' Report to the Shareholders

We have made an examination of the books and accounts of Consolidated Diversified Standard Securities Limited and its wholly owned subsidiary company, Alco Securities Corporation Limited, for the year ending December 31 1945, and have obtained all the information and explanations which we have required. We have verified the securities periodically by inspection or by confirmation from the custodian and the cash on deposit by confirmations received from the depositaries, and we report that, in our opinion, the attached Consolidated Balance Sheet is properly drawn up so as to exhibit a true and correct view of the combined state of the Companies' affairs as at December 31 1945, according to the best of our information and explanations given us, and as shown by the books of the Companies.

PRICE, WATERHOUSE & CO.,
Auditors.

Montreal, March 14, 1946.

Consolidated Diversified Standard Securities Limited

AND ITS WHOLLY OWNED SUBSIDIARY COMPANY

Consolidated Balance Sheet, December 31st, 1945

ASSETS	
CASH IN BANKS.....	\$ 127,881.82
DIVIDENDS DECLARED (Receivable in January).....	3,322.86
INTEREST ACCRUED ON BONDS.....	2,886.09
INVESTMENTS:	
In Stocks and Bonds of Corporations at book value (Quoted market value of these Investments at December 31, 1945, expressed in Canadian Dollars, \$891,778.78).....	813,877.13
INVESTMENT:	
Represented by the Net Cost of 4,492 16/25 Non-cumulative First Preference Shares and 35,662 18/40 Class "A" Common Shares of Consolidated Diversified Standard Securities Limited, held by the wholly owned subsidiary, Alco Securities Corporation Limited.....	78,368.40
FURNITURE AND FIXTURES, less reserve for Depreciation of \$2,509.05.....	36.99
PREPAID ITEMS.....	320.57
	<u>\$1,026,693.86</u>

APPROVED ON BEHALF OF THE BOARD:

W. E. FOSTER, Director.

B. M. HILL, Director.

LIABILITIES	
DUE TO BROKER, against Securities Purchased, but not Delivered.....	\$ 8,308.75
INCOME AND PROFITS TAXES.....	612.12
RESERVE FOR UNREALIZED PROFIT ON EXCHANGE.....	46,609.38
UNCLAIMED DIVIDENDS.....	12,704.91

CAPITAL STOCK AND SURPLUS, represented by—

Capital Stock:

Authorized:

55,000 Non-cumulative First Preference Shares of no par value.
(Preferred as to \$2.50 per share dividend and callable at \$50.00 per share).

160,000 Class "A" Common Shares of no par value.

112,500 Class "B" Common Shares of no par value.

Issued—

First preferences shares.....	50,916	15/25	
LESS: Redeemed and cancelled out of Net Realized Capital Profits.....	18,916	15/25	
	32,000		
Class "A" Common Shares.....	152,340	39/40	
Class "B" Common Shares.....	112,500		\$717,515.00

Capital Surplus, representing net realized Capital Profits, used in redemption of 18,916 15/25 First Preference Shares.....

\$293,000.00

INVESTMENT RESERVE.....	162,544.74	
SURPLUS, as per statement attached.....	78,398.96	958,458.70
		<u>\$1,026,693.86</u>

Submitted with our report to the shareholders dated March 14, 1946.

PRICE, WATERHOUSE & CO.,
Auditors.

Consolidated Diversified Standard Securities Limited



March 28th, 1946.

To the Shareholders:

Your Directors present herewith for your approval the Consolidated Financial Report and Balance Sheet for your Company and its Subsidiary for the year ended December 31st, 1945.

Your Company's investment portfolio is comprised of securities as follows: Bonds—34.49%; Preferred Stocks—4.71%; Common Stocks—59.13%; Miscellaneous and Unlisted Investments—1.67%. Holdings of revenue producing securities represent 90% of the Portfolio.

Dividend No. 24, at the rate of 75 cents per share was paid on the outstanding Preference shares during the year 1945.

Submitted on behalf of the Directors,

A handwritten signature in dark ink, appearing to read "H. B. Foster", written over a horizontal line.

Chairman, Board of Directors.